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Record EC Grain Crop May Depress Demand For U.S. Wheat, Corn

By Alan H. Riffkin

Prospects for a bumper grain harvest in the European Community point to reduced sales opportunities for U.S. wheat and feedgrain exporters to this No. 1 market for U.S. grain. Competition in grain markets outside the EC likewise will stiffen, as the Community attempts to move surplus wheat and barley.

Grain output in the European Community this season appears likely to surpass the 1974 record of 108.2 million metric tons as a result of a 5-million-ton gain in wheat production from the 1977 level and favorable feedgrain harvesting weather.

But the relatively poor quality of the Community's wheat and barley crops—at a time of stable to declining demand for grains as feed—could present mixed blessings for the EC. On the one hand, it means less grain imports from third countries, including the United States. On the other hand, the EC must somehow dispose of the surplus, which invariably leads to higher treasury outlays for export or user subsidies.

In either case, U.S. grain exporters face increased competition from the EC in world markets during 1978/79, as well as reduced sales prospects within the important EC market.

The author is an agricultural economist with the Grain and Feed Division, FAS. The article is based on a recent survey trip by the author to the European Community.

With only part of the large crops expected to be fed or stored, several million tons of the surplus wheat will likely be exported to third countries, particularly around the Mediterranean basin, where low shipping costs give the competitive edge to the EC.

Concurrently, U.S. grain exports to the Community could fall somewhat from the 14 million tons shipped there last season. Traditionally, the EC has ranked as the largest foreign market for U.S. grains, in recent years, taking roughly 20 percent of total U.S. grain exports. Corn accounts for the bulk of these shipments (11.5 million tons in 1977/78), followed by wheat (at 2.3 million tons).

The bumper EC grain crop—estimated at 108-109 million tons—comes as a result of favorable weather in combination with increased plantings of higher yielding varieties of wheat and barley. Wheat, however, is the only notable gainer this year, with output estimated at 43.6 million tons, against 38.5 million in 1977.

Community barley production is now expected to top last year's record 37.6 million tons as a result of generally favorable harvesting weather in August.

Although use of the higher yielding varieties has led to expanded output, it also has resulted in a surplus of lower quality wheat and barley. Because of resulting disposal problems, pressures are mounting to maintain balances between production for milling/malting and production for feeding. Brussels, in fact, is considering premium penalties to discourage continued surplus production of feed-quality barley.

The problems resulting from such imbalances will be especially evident this season. Greater expenditures for subsidies on soft wheat exports will be necessary, while quality of the domestic crop is not sufficiently good to keep the EC from importing 3-4 million tons of high-protein wheats from Canada and the United States. Similarly, despite the large feedgrain crops, and greater use of nongrain ingredients in livestock feeds, the EC still will need to import 12-13 million tons of corn because of the product's preferred usage in feed rations and increased industrial usage.

Domestic grain consumption, meanwhile, appears likely to be relatively static. Feedgrain use will be restrained by the slow growth expected for livestock production. Also, cost-conscious feed manufacturers are continuing to substitute nongrain feeds such as cassava, tapioca, citrus pulp, corn gluten, and soybean meal for domestic barley and imported corn.

Additional substitution for grain probably will be smaller than in the recent past, however, since cassava usage now is near maximum technical/nutritional levels in the Netherlands and Belgium. And in other countries, such as the United Kingdom and Italy, environmental, technological, and institutional problems will likely preclude widespread or intensive use of nongrain feeds.

The supply-demand situation for the major grain producing and consuming countries in the EC looks like this:

France is harvesting its largest wheat crop since the 1974 record of 19.1 million tons. Currently, the 1978 crop is estimated at about 18.3 million tons as a result of increased area, expanded use of high-yielding varieties, and generally favorable weather.

This increased supply will allow stockbuilding following a drawdown in stocks during 1977/78, when wheat exports to Italy were an unusually high 2.1 million tons. Also, on-farm feeding could rise 10 percent in light of the large amount of feed-quality wheat available.

However, some 8.4 million tons are likely to be exported—with most of this year's 800,000-ton increase in production exported to third countries—considering the favorable wheat prospects throughout the EC and Brussel's policy of subsidizing wheat and wheat flour exports through restitutions; the first tender of 300,000 tons was issued on August 31.

Market expansion is likely to occur in Egypt, Portugal, Morocco, Algeria, Libya, and Tunisia—countries where France enjoys political ties as well as lower freight costs compared with other exporters such as the United States.

France's barley crop is estimated at about the same level as last year's 10.3 million tons but is lower in quality.

This again creates the

problem of obtaining high-quality barley for blending. Last season, some 400,000 tons—the highest level in 20 years—had to be imported for this purpose. Moreover, there will probably be increased substitution of wheat for barley in livestock feeds.

Corn production is currently forecast at 9.2 million tons—second only to the record 10.7 million tons of 1973/74. Although the crop is 8-10 days late, August weather conditions were good and overall yield expectations have consequently been revised upward. Exports are projected to expand some 15 percent from last year's 2.3 million tons.

Domestic use of grain for feed is expected to remain at last year's level of 17.3 million tons. Little change is anticipated in animal numbers and imports of nongrain feeds are still relatively small, although cassava imports are expected to triple between 1976 and 1978 to an estimated 320,000 tons.

The big question is who will win the struggle between grain producers, who want to maximize use of their products by limiting nongrain feed imports, and feed compounders/livestock producers, who see nongrain feeds as one way to cut costs and meet competition in the French market. Since grain producers enjoy the greater political clout, chances are that France will continue to advocate some limitations on cassava imports in particular and nongrain feed ingredients in general.

In contrast to the crops in France and other EC countries, **West Germany's** near-record 1978 harvest of some 7.7 million tons of wheat is expected to be generally high in protein.

Domestic demand, on the other hand, is not expected to grow markedly, so export outlets will have to be sought for slightly more than the 1.7 million tons shipped in 1977/78. Larger German exports of high-protein wheat could reduce EC imports of high-protein wheat—3.5-4.5 million tons normally—from the United States and Canada.

German barley production is seen rising to a new high of 8.5 million tons from 7.6 million in 1977 as a result of expanded area, a shift from spring malting varieties to higher yielding but lower quality winter varieties, and favorable weather. Feed barley imports thus are expected to be virtually nil in 1978/79, while exports could double last year's level to 600,000 tons. More barley could likewise be used for on-farm feeding, replacing imported corn.

Also depressing demand for corn imports is increased use of corn gluten and cereal bran in mixed feeds.

The result could be corn imports below the 3.0 million tons of 1977/78. More will come from France than last year's small takings—probably 600,000-800,000 tons, against 450,000 in 1977/78. U.S. corn exports to West Germany, on the other hand, could decline to about 2.2 million tons in 1978/79 from the 2.5 million tons estimated for 1977/78.

The **United Kingdom's** wheat harvest in 1978 is estimated at a record 6.2 million tons, compared with 5.3 million in 1977. Here again, the gain is attributable mostly to the expanded use of high-yielding varieties at the expense of quality.

Plantings of high-yielding varieties have about doubled over the past 4 years, and now make up approximately 60 percent of total wheat plantings. Additional future plantings will largely depend on the level of the premium paid for milling wheats relative to the availability of EC export subsidies for feed-quality wheat.

Currently, wheat feeding is projected to rise by almost 20 percent over last year's 2.9 million tons, while total wheat imports may decline 10 percent from last season's 3.7 million tons. Larger than anticipated availabilities of milling-quality wheats would mean a further reduction in total import requirements for wheat—probably to below 3 million tons.

U.K. millers continue to prefer the evenness and high quality of North American wheats, although recent changes in the U.K. milling industry have led to greater usage of EC-produced soft wheat.

U.K. barley production will probably drop about 10 percent from last season's phenomenal record crop of 10.5 million tons as a result of a shift from barley to wheat area and more normal yields. Still, it could be the second largest crop in 6 years.

With barley use for feed expected to be depressed by the trend toward nongrain feeds—as well as by greater feed use of wheat—barley exports will likely be higher than earlier anticipated but still some 60 percent below the 2.1 million tons shipped in 1977/78.

Corn imports, in turn, may decline by some 700,000 tons from the 3.5 million tons purchased in 1977/78 as a result of these factors in concert with the static levels expected for livestock production in 1978/79. Most compounders feel that the corn component of livestock rations will fall to minimum levels of around 10 percent of

"Greater expenditures for subsidies on soft wheat exports will be necessary, while quality of the domestic crop is not sufficiently good to keep the EC from importing 3-4 million tons of high-protein wheat from Canada and the United States."

total feed use, but that assumes the successful utilization of cassava and other nongrain feeds.

U.S. exports of corn to the United Kingdom in 1978/79 are likely to fall from last year's estimated 2.2 million tons in light of these factors, plus greater availabilities from France.

Italy's 1978 soft wheat crop recovered to an estimated 5.7 million tons from the reduced 1977 outturn of 4.2 million. However, the country still must import higher-protein wheat to blend with its lower quality crop and with the low-protein imports from France. Consequently, U.S. exports of wheat to Italy should approximate 400,000 tons, the average for the past 5 years, which is some 20 percent below last season's unusually high level.

Italy's total imports of Durum and soft wheat are projected at 2.4 million tons, or 40 percent below last year's high 4.2 million tons. Imports of French soft wheats—which have traditionally comprised 35-50 percent of this market—are forecast at 1-1.2 million tons. Another 200,000-250,000 tons of the soft wheat could come from West Germany, while 400,000-500,000 tons of Durum will likely come from Canada, Argentina, or the United States—in that order.

The Italian feedgrain market this season is shifting from imported corn—and U.S. corn in particular—to barley as a result of the large EC barley crop, price differentials that favor barley over corn, and a good Italian corn crop of 5.8 million metric tons.

Thus, U.S. corn exports to Italy in 1978/79 are forecast at about 2 million tons—down 30 percent from earlier forecasts.

Barley imports—largely from other EC countries—are expected to rise another 10 percent to about 1.5 million tons in 1978/79 following a 20 percent gain last season.

Unlike most of the other EC countries, Italy continues to experience growth in its feed usage and livestock numbers. Italian feed usage is forecast to rise 6-8 percent in 1978/79 as a result of a 2-3 percent expansion in livestock numbers. However, much of that increase forecast for feed usage is expected to occur in nongrain feedstuffs such as cassava, wheat bran, and soy meal.

Grain use for feed is seen holding at last year's 10.7 million tons and it could actually decline if the Italians opt to use more cassava and wheat bran in their cattle and hog rations. Potentially, use of these two ingredients could rise some 500,000 and 200,000 tons, respectively, from last season's levels if consumer resistance is surmounted and difficulties in blending cassava are resolved.

In **the Netherlands**—the EC's fourth largest importer of grains and most sophisticated user of compound feeds—the trend toward use of nongrain feeds may have about run its course. The grain component in total mixed feeds is temporarily at the nutritional minimum of 15 percent in hog rations and 30 percent in poultry rations, and use of nongrain feed is—temporarily at least—at its maximum.

But with livestock numbers expected to stabilize this year and possibly decline in late 1979, feedgrain imports are likely to rise only moderately in 1978/79. Currently, it looks as if U.S. corn exports to the Netherlands will rise by less than 10 percent from those of 1977/78 to an estimated 3.0 million tons.

Moreover, the United States could see declines in sales of corn gluten and citrus pulp to the Netherlands as a result of some shift from these products to increased usage of EC barley or wheat in livestock feeds. Currently, the United States supplies 70-75 percent of all Dutch imports of corn gluten and citrus pulp.

In **Belgium,** much the same situation confronts U.S. grain exporters. The country's mixed feed production declined slightly during the past year from the record calendar 1976 level of 5.1 million tons and probably continued downward during 1978. With reduced export demand for Belgian live hogs, poultry, and their products, growth in livestock production has faltered, contributing to a 4-year slide in feed use of grain. During that time, utilization of grains for feed fell 40 percent.

Concurrently, estimates of feed use of grain in 1977/78 were revised downward by almost 20 percent, while nongrain feed ingredients and protein meals enjoyed a growing share of the market. Imports of cassava pellets, for instance, about doubled between 1974 and 1977 to 730,000 tons.

Estimates of corn imports and exports have been revised downward for both 1977/78 and 1978/79, reflecting stabilized demand in Belgium and continued lower import demand in other EC countries. U.S. corn exports to Belgium are estimated at 1.5 million tons for 1978/79, against 1.6 million in 1977-78. □

Increasing Use of Containers Reflected in CCC Rule Change

USDA's Commodity Credit Corporation (CCC) has published (*Federal Register,* June 16) amendments to agricultural commodity sales financing, covering export shipments of U.S. farm commodities from U.S. inland or coastal points made under through bills of lading on two or more different modes of transport. The amendments were necessitated by the increasing use of large cargo containers and LASH (Lighter Aboard Ship) or Seabee (Lykes Bros.) barges in the shipment of U.S. agricultural commodities.

Under the amendments, commodities may be loaded into containers at an interior point and shipped to an export point by rail or truck for shipment aboard an ocean carrier.

Commodities also may be loaded aboard a lash barge and the barge moved to an export point and loaded aboard a ship. In these cases, a through bill of lading is issued covering the shipment of the commodity from the point of loading aboard the barge, truck, or rail car.

The onboard carrier date on the through bill of lading will be the date of delivery of the commodity as well as the date on which interest will begin to accrue on the account receivable.

The amendments will permit CCC to finance export shipments on through bills of lading on the same basis as now provided for where delivery is made to an importer at a U.S. warehouse. □

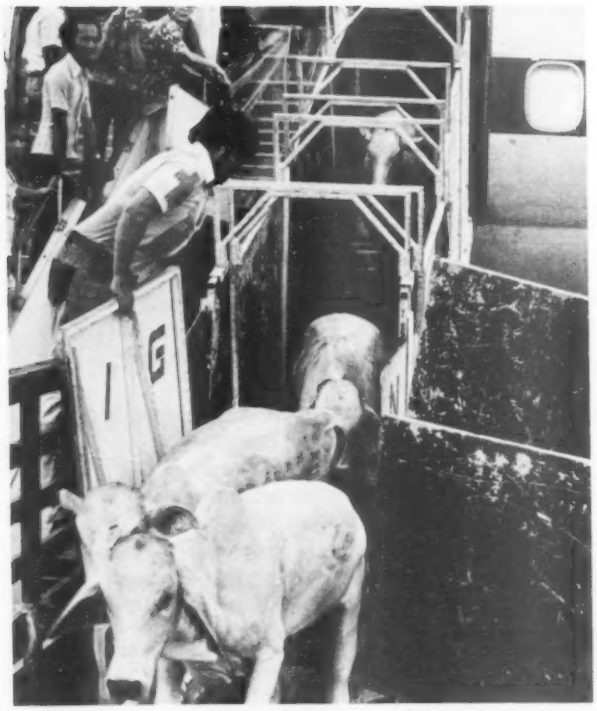
Thai Cattle Industry Growth Depends Heavily On U.S. Cattle Imports

By Cline J. Warren

Thailand, to a large degree, is basing its beef and dairy improvement programs on breeding animal imports from the United States.

This past June the Thai Department of Livestock Development awarded a U.S. firm the bid contract for 400 high-quality Brahman breeder cattle. The purchase was made up of 150 bulls, 18-24 months old, and 120 bulls and 130 heifers, 10-18 months old. The contract called for the cattle to be delivered within 90 days from the bid date.

The author was until recently U.S. Agricultural Attaché, Bangkok.



Last year, close to 200 head of U.S. Brahman breeding cattle were imported by the Thai Government and private farmers. This shipment arrived in December.

In 1977, the nucleus of U.S. cattle in Thailand increased by a sizable number and imports of semen expanded.

Farmers and the Thai Ministry of Agriculture probably imported close to 200 head of U.S. breeding cattle. The Ministry bought 64 Brahman heifers and 10 bulls in late December 1977 and private breeders reportedly had imported a slightly larger number at the beginning of the year. (USDA data indicate that 195 Brahman breeding cattle were inspected for export to Thailand last year.) The largest U.S. shipment to Thailand in recent years was the 402 head of Brahman breeding animals shipped in late 1975.

In addition to the 1977 cattle exports, a U.S. firm won a contract last year to supply 2,000 vials of Brahman semen, a part of a Thai program that began some years back to import 144,000 vials of Brahman and Holstein semen.

Thailand's long-term plan calls for a gradual improvement of the beef herd through imports of breeding cattle and semen and a boost in milk production by upgrading its Holstein herd through semen imports. Both of these aims will probably continue to benefit the U.S. livestock industry, but imports of these products will vary in size and value from year to year, amounting to relatively minor amounts at some times.

Much of Thailand's livestock and semen import programs are supported by a $5.2 million World Bank loan, part of which will also be used to convert some 83,000 hectares of Thai grassland to permanent grazing. But there are a number of obstacles to be overcome if Thailand is to achieve the several goals inherent in its livestock program: Improvement of the country's diet by increasing intake of milk and boosting its exports of meat and cattle.

One of these obstacles is the traditional pattern of livestock use under which the country's cattle and water buffalo—numbering 10-11 million—are sent to slaughter only after they are no longer able to produce calves or have been exhausted as beasts of burden.

However, some of the country's progressive farmers are mechanizing their operations and are selling surplus cattle and buffalo for meat on the domestic market and for shipment to nearby Asian markets as live animals. Some 30,000-35,000 head are currently shipped each year to Singapore and Hong Kong.

Since at least 1976, Thailand and Singapore have been discussing a joint cattle-raising project, but as yet no decision has been reached. In essence, the plan calls for establishment of a sizable ranch in the southern part of Thailand to supply Singapore with upwards of 500 head of cattle monthly. Included among the ranch's facilities would be a feed lot where waste products from processing of corn, sorghum, tapioca, molasses, and soybeans could be utilized.

There are some planners who believe these waste materials—most of which are now burned or buried—are present in sufficient quantity to feed Thailand's current animal population. In addition, use of this refuse would diminish the country's disposal problem and enable Thailand to conserve some of the foreign exchange now being used to import protein supplements for feed rations.

In addition to ridding the farm sector of much of its waste byproducts, ranching is being studied to determine the overall contribution such an activity would make to the country's economy. Not only would its impact be felt in the value of its meat exports—far outweighing the cost of its cattle and semen imports—but ranching could put to profitable use large tracts of land now underutilized.

There are sizable areas in the northeastern and northcentral plateau regions that could be used for cattle production, a large share not being used for crop production. While now considered wasteland, much of this area could be converted to pastureland, largely for beef production, but some probably for dairy operations.

Thailand—with its human population of slightly more than 44 million—is not currently a large consumer of dairy products. Although demand for fresh milk and milk products is reportedly growing by 10-12 percent a year, domestic fresh milk production still falls far short of requirements. To fill the gap, large amounts of dairy products are imported each year—$39.3 million in 1976. While the imports include a wide range of milk products, well over three-fourths of the total value was represented by milk powder, which reached a record 30,400 metric tons.

Most of Thailand's milk and dairy products is consumed by the country's 6-7 million urbanites. The consumer trend in the cities is to buy more convenience and ready-to-eat foods—which sometimes are relatively low in nutritional value—a tendency the Government wishes to offset by upping milk consumption. □

FAS/USDA Export Promotions, 1978/79

Location	Date	Type of Event
MEXICO		
Mexico City	Oct. 1-8, 1978	National livestock show.
SWEDEN		
Stockholm	Oct. 3-4	Solo U.S. exhibit—natural food products only, firm representation required.
UNITED KINGDOM		
London	Oct. 11-12	Solo U.S. exhibit—full product line, firm representation required.
FRANCE		
Paris	Nov. 13-18	SIAL—international exhibit-HRI[1]—exhibit for agents of U.S. firms.
MEXICO		
Queretaro	December	National dairy show.
Mexico City	February 1979	Attaché product display—full product line, firm representation not required.
TRINIDAD, SURINAM, MARTINIQUE, BARBADOS	Feb. 11-19	Sales team of 6-8 U.S. firms.
THAILAND		
Bangkok	February	Attaché product display—full product line, firm representation not required.
DOMINICAN REPUBLIC	February	National livestock show.
CHILE		
Santiago	March	Attaché product display—full product line, firm representation.
JAPAN		
Tokyo	Mar. 12-16	Harumi—international exhibit—full product line, firm representation required.
UNITED KINGDOM		
London	Mar. 12-16	Olympia—international exhibit—principally for agents of U.S. firms but participation by new-to-market firms encouraged.
HONG KONG	Mar. 21-23	FAS solo exhibit—full product line, firm representation required.
FRANCE		
Paris	March	Paris agricultural show—livestock/feedstuff show.
ITALY		
Verona	March	International exhibit—livestock/feedstuff show.
EL SALVADOR	March	National livestock show.
NICARAGUA	March	National livestock show.
MEXICO	March	National beef cattle show.

[1] Hotel, restaurant, institutional.

Location	Date	Type of Event
ITALY Reggio-Emilia	April	Swine exhibit.
GREECE Athens	May	Attaché product display—display to be handled by Attaché.
SAUDI ARABIA	May 5-12	Sales team to Jidda and Dhahran—8-10 firms.
KUWAIT	May 14-17	Sales team following Saudi Arabia.
NETHERLANDS The Hague	May 28-31	FAS solo exhibit—full product line, firm representation required.
FRANCE Paris	June 4-6	FAS solo exhibit—principally for agents of U.S. firms but participation by new-to-market firms encouraged.
ARUBA	June	FAS solo exhibit—full product line, firm representation required.
VENEZUELA Caracas	June	Sales team, 6-8 firms, taken from Aruba exhibit.
CURAÇAO	June	Sales team, 6-8 firms, taken from Aruba exhibit.
BAHRAIN	September	FAS solo exhibit—full product line, firm representation required.
GREECE Thessaloniki	September	International exhibit—FAS information booth only.
ITALY Cremona	September	Dairy livestock show.
GERMANY, WEST Cologne	September	ANUGA—international exhibit—principally for agents of U.S. firms but participation by new-to-market U.S. firms encouraged.
UNITED KINGDOM Manchester Edinburgh	September	Foodex exhibits, principally for agents of U.S. firms but participation by new-to-market firms encouraged.

South Africa Ups Avocado Production

South Africa's avocado industry, hindered by root rot and potentially threatened by sunblotch virus, is switching to virus-free planting material to increase production further, according to James O. Howard, U.S. Agricultural Attaché in Pretoria.

South Africa produced an estimated 18,411 metric tons of avocados in calendar 1977, of which an estimated 8,300 tons were exported, mostly by sea, to north European destinations. France is the most important export market, followed by the United Kingdom.

Both production and exports of avocados have been trending up for several years. In 1971, output totaled 7,817 tons and exports 1,838 tons.

Future expansion of the industry depends primarily on market trends. However, suitable growing areas are relatively scarce and returns on competitive crops are good.

Average returns to producers from avocado exports during 1977 were the equivalent of about $662 per ton, compared with average returns from sales of 7,888 tons to 14 domestic produce markets of only $380 per ton.

The industry believes exports should increase 10 percent per annum until the effect of the virus-free rootstock becomes apparent, after which expansion could be more rapid.

However, any sharp competition from California avocados in European markets could cancel these projections. □

Quality Is Factor In Gains in U.S. Egg Sales to Middle East

By Raymond H. Greenfield

U.S. producers of perishable farm products are enjoying increasing success in the foreign market, in part because of the careful attention given to quality and customer requirements. A recent survey of U.S. egg exports to the Arabian Peninsula, outlined below, is one example of efforts being made to ensure delivery of high-quality U.S. products.

Record exports of U.S. shell eggs to the Arabian Peninsula are reaching that market in good shape, considering the extensive handling and varying environmental conditions that arise during transit. Moreover, the few negative factors encountered can be easily overcome, according to a recent survey of eggs received in the market.

Quality is a must, however, since competitors—vying aggressively for greater market shares—often can undersell U.S. exporters. Moreover, importers still will pay a premium for larger size shell eggs shipped by some traditional suppliers in Eastern Europe.

The author is national supervisor, Shell Eggs, Poultry, and Dairy Quality Division, Food Safety and Quality Service, USDA.

U.S. shippers penetrated the shell egg market for the first time in 1977, selling more than $900,000 worth that year and quadrupling the 1977 figure in the first half of 1978.

Some $3 million of this $3.6 million in U.S. egg trade during 1978's first half was with Kuwait, Oman, and the United Arab Emirates (UAE)—markets with a combined population of only about 2 million but immense buying power because of their petroleum wealth. Limited agricultural production, plus the influx of foreign laborers to work on ambitious development projects, has contributed to growth in all imports of food, including poultry products.

The recent breakthrough in U.S. egg exports to this viable market was accompanied by highly favorable reaction from Arabian Peninsula importers concerning quality and condition of the eggs. That positive image can be attributed in large part to high export specifications worked out in cooperation with USDA's Food Safety and Quality Service (FSQS).

To ensure continued marketing of high-quality, properly packaged eggs—and spot areas for improvement—the Foreign Agricultural Service and one of its market development cooperators, the Poultry and Egg Institute, asked FSQS to inspect U.S. eggs sold in the UAE.

This led to an indepth review of one shipment of U.S. eggs from its time of departure from Tampa, Florida, to its arrival and distribution at the port of Sharjah, UAE.

Findings of the survey—summarized in the table below—show that there was some deterioration in quality, as would be expected in shipments that take nearly a month and a half to reach the market and are often subjected to extreme temperature changes and rough handling.

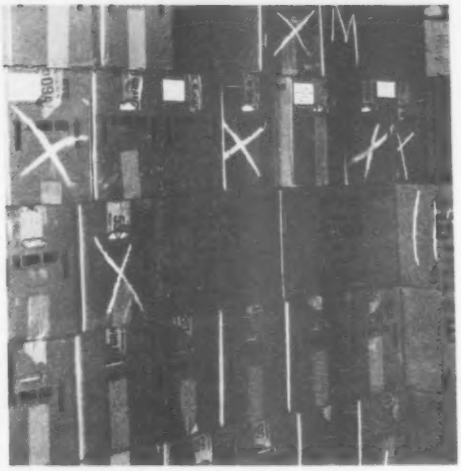
However, instances of breakage and egg loss were far below those reported in eggs shipped from most competitors.

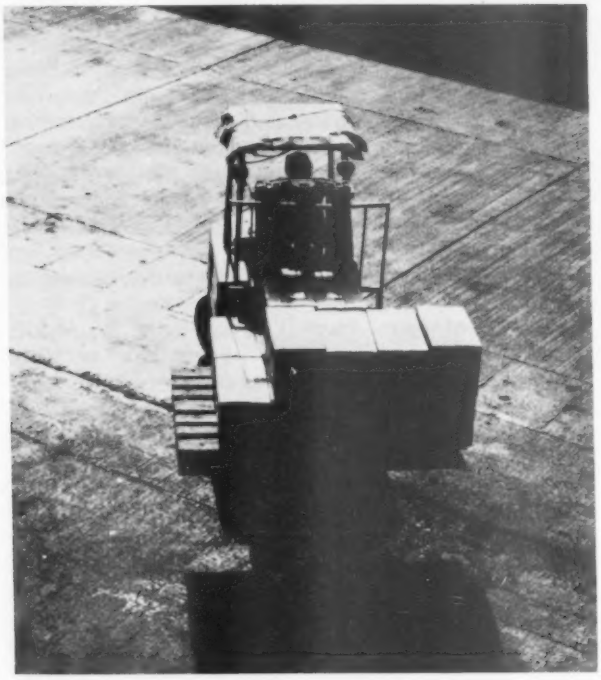
The survey began with inspection of eggs at the shell egg processing plants by resident USDA personnel, who issued grading certificates covering each lot. Product from 28 of these shipments—86 samples in all—was randomly selected and checked at Tampa, Florida, the port of embarkation; 65 of these same samples were located

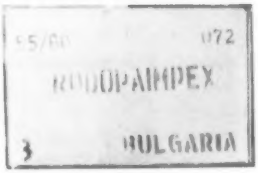
Tips for U.S. Egg Exporters

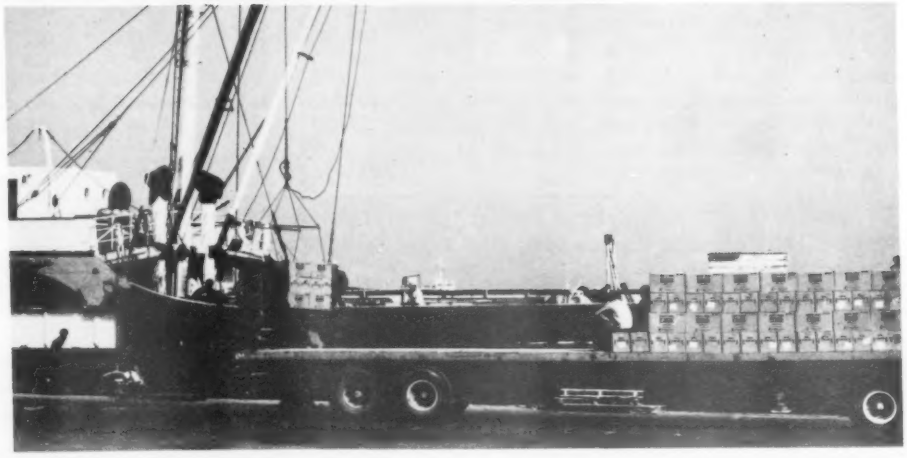
A few often minor improvements could go a long way toward gaining a firmer foothold for U.S. shell eggs in the Middle Eastern market. Exporters interested in the market should consider:

- Providing sufficient packaging to eliminate headspace in cases with the lighter weight eggs;
- Shipping eggs weighing no more than 65 grams per egg and no less than 50 grams;
- Improving shell protection—some lots did not appear to have been shell treated;
- Utilizing better ink for individual egg stamping;
- Specifying transit, warehouse and shipboard holding temperatures of 32° to 35°F.
- Working to improve humidity conditions in warehouse and shipboard holding facilities—if possible require 70-75 percent relative humidity;
- Providing full-length 15-dozen case option to buyers.









Clockwise from top left: Egg dealer in Dubai, UAE, examines a case of eggs from Lebanon—one of the U.S. competitors in the market. U.S. product in hold of ship on arrival at the port of Sharjah; cases with white X's are the samples checked at Tampa, Fla, and rechecked at Sharjah. Unloading U.S. shell eggs at warehouse storage facilities in Sharjah. One of the full-length 15-dozen cases that are so popular in the Emirates. U.S. product being unloaded on flat-bed trailer for movement to cold-storage facilities. A pallet load of samples to be check graded.

during unloading in Sharjah, and the 100 eggs in each of those samples were regraded.

A total of 46 days elapsed between the gradings at the point of origin and those at Sharjah.

Temperatures at the cold storage facilities in Tampa, Florida, were 45°-48°F during the 2-3 days product was held there prior to loading aboard ship.

Shipboard temperatures during transit reportedly ranged between 33.8° and 35.6°F. No data were available on relative humidity in the shipboard holding facilities. However, the high percentage of eggs graded B at Sharjah due to excessive air-cell development indicates that humidity was less than optimum at some point during transit.

Packing of the eggs was found to be generally good.

Virtually no cases had collapsed during transit, despite the fact that they often were stacked as high as 15 cases deep and handled roughly by the workers.

In contrast, considerable case crushing with resultant product damage was observed in packing materials from some Eastern European countries. A positive feature in that region's packaging was the full-length 15-dozen case used by one supplying country. Those cases also hold up well and are popular in the UAE, where local merchants frequently suggested that U.S. eggs be shipped in such packaging.

The only major drawback of the U.S. cases was the excessive headspace for 50-55 and 55-60 gram packs of eggs. This contributed to increased breakage in the top and second layers.

Case taping was excellent. None of the cases observed had come open in transit due to tape failure.

Case markings were also excellent. Individual egg stamping ranged from very poor to good but generally was much poorer than that observed on eggs from other countries.

Pricing in the market is not done according to size of eggs offered for sale. Regardless of the size, eggs generally were selling for 85 dirhams (about $22) per 30-dozen case.

Eggs from one East European country sold for about the same as U.S. eggs, but in some instances commanded a 5-dirham premium ($1.25) over U.S. eggs, owing to longstanding and excellent consumer acceptance. Also contributing to these premiums was the special 15-dozen case packing.

Eggs from other East European countries generally were offered at 75-80 dirhams ($19.25 to $20.50).

Product from the United States was found to be well accepted as far as quality was concerned. However, repeated comments were received from importers and retailers concerning size of some U.S. eggs. Eggs in the 45-50 gram weight range and on the light side of the 50-55 gram class do not sell well and are frequently returned to the wholesaler.

In summary, the Middle East presents an excellent marketing opportunity for U.S. egg exporters, provided quality is maintained and assurance of a year-round supply can be given to potential buyers. □

"U.S. shippers penetrated the shell egg market for the first time in 1977, selling more than $900,000 worth that year and quadrupling the 1977 figure in the first half of 1978. . . ."

U.S. Shell Egg Exports to Selected Middle Eastern Countries, Annual 1976–77 and January–June 1978

Country of destination	1976		1977		Jan.-June 1978	
	Quantity Doz.	Value 1,000 dol.	Quantity Doz.	Value 1,000 dol.	Quantity Doz.	Value 1,000 dol
Iran	0	0	0	0	183,182	99
Kuwait	0	0	900,000	360	1,500,000	650
Saudi Arabia	0	0	145,873	108	148,110	125
Qatar	0	0	0	0	1,200	1
United Arab Emirates	0	0	693,292	429	2,200,900	1,190
Yemen (Sana)	0	0	179,280	24	825,000	396
Oman	0	0	0	0	1,133,548	1,172
Total	0	0	1,918,445	921	5,991,940	3,633

Changes in Quality of U.S. Eggs During Transit Within and From the United States to Sharjah, UAE, and Comparison with Eggs from One East European Country

[In percent]

Transit point	AA	A	B	C	Dirties	Checks	Loss	Small ends up	Under-weights
U.S. eggs:									
Origin (cumulative averages)	69.37	24.01	2.83	0.22	0.01	3.44	0.12	4.81	0.17
Tampa	58.50	29.60	4.89	.57	.23	5.70	.42	6.98	2.29
Sharjah	1.46	27.39	61.14	.65	.13	8.08	1.15	—	—
Eastern Europe	—	—	91.95	2.00	1.50	3.25	1.50	—	—

Study Shows Smaller Brazilian Coffee Crop

The recent frost in Brazil has cut the potential 1979/80 coffee crop by some 5-6 million bags. Total production is expected to reach 18-21 million bags. A recent field trip by Leon Yallouz, economist with the office of U.S. Agricultural Attaché, Brasília, indicates that the cold spell has reduced earlier estimates of potential yields in Brazilian coffee producing areas, mainly in the States of Paraná and São Paulo. However, most of the trees are expected to recover after the 1979 harvest.

A field evaluation by the Office of the U.S. Agricultural Attaché, Brasília, of the effects of the August 13-15 frost on the 1979/80 Brazilian coffee crop has determined that prospects are not as good as thought earlier.

For the country as a whole, Brazil's 1979 coffee harvest now is expected to be between 18 million and 21 million bags (60 kg each), provided weather continues favorable until March or April 1979. Before the frost, the estimate for Brazil's potential production was between 24 million and 26 million bags.

Unlike the 1975 freeze, which affected all of the trees in northern Paraná and western São Paulo, the latest freeze left in its path an unusual mosaic pattern of damage, affecting trees regardless of their age, geographic location, or the direction they faced.

Over 50 percent of Paraná's coffee trees of all ages were affected to some degree. The largest number of trees hurt and the greatest intensity of frost damage were observed northwest, west, and southwest of the town of Maringa. The intensity and extent of the damage gradually diminishes east of Maringa toward Ourinhos.

As a result of Mr. Yallouz's 11-day, 4,000-kilometer trip to Paraná, São Paulo, and Minas Gerais, FAS has reduced its estimate for Paraná's potential production for 1979 from an earlier 6-7 million bags, based on a field trip completed just prior to the frost, to between 3.5 million and 4.5 million bags.

In the State of São Paulo, the most seriously affected trees are located in a strip some 60 kilometers wide, running east to west between the towns of Bauru and Dracena. Scattered fields of affected coffee trees in the State were seen as far north as Altinopolis, Franca, São Jose do Rio Preto, and as far west as Mogi-Nirim.

Before the freeze, the State's potential 1979 production was estimated at 8-8.5 million bags. It has now been reduced to between 5.5 million and 6.0 million.

The effect of the freeze in Minas Gerais is relatively insignificant. Less than 5 percent of the trees in southwestern Minas Gerais have been affected. In consequence, that State's 1979 coffee crop forecast has been reduced from the earlier estimate of 7-7.5 million bags to 6.5-7.5 million bags.

Coffee trees in the State of Mato Grosso are reported to have suffered some freeze damage. The production estimate for Mato Grosso and all other coffee States has been reduced from 3 million bags to a range of 2.5 million to 3 million.

Unlike the freeze of 3 years ago, when millions of coffee trees were killed outright, it is expected that nearly all of the coffee trees affected by the latest freeze will probably recover to full production after the 1979 harvest.

Meanwhile, the second USDA estimate of the 1978/79 world coffee crop is for a total production of 74.5 million bags. This is slightly less than the first estimate but remains 9 percent larger than the 1977/78 crop of 68.5 million bags. Based on past performance, the chances are 2 out of 3 that the second estimate of total production will not vary more than 2.9 percent from the final out-turn for the year.

Exportable production, which represents total harvested production less domestic consumption in producing countries, is estimated at 56.5 million bags for 1978/79 and compares with 51.4 million bags for 1977/78.

For 1978/79, the North American total output is virtually unchanged from the first estimate as increases in El Salvador and Guatemala are offset by decreases in Mexico and the Dominican Republic. Estimates for the two largest producers—Brazil and Columbia—are unchanged. The cold front that moved through the States of Paraná and São Paulo, August 13-15, did not affect Brazil's 1978 crop (1978/79 year), which was already harvested.

In Africa, the major change was in Kenya, where the first estimate was reduced by some 360,000 bags, owing to the adverse affects of heavy and prolonged rainfall on flowering. Production estimates for recent crop years in Indonesia generally were revised upward while apparent domestic consumption was lowered. Consequently, exportable-production estimates for that country were increased significantly.

Total production estimates by area and principal producing countries, for 1978/79 (with 1977/78 estimates, as revised, in parentheses), are as follows, in 1,000 bags:

All North America—14,985 (13,977); Costa Rica 1,600 (1,550); Dominican Republic 750 (1,010); El Salvador 2,900 (2,000); Guatemala 2,600 (2,250); Honduras 1,000 (1,134); Mexico 3,800 (3,750); and Nicaragua 975 (925).

All South America—33,769 (31,034); Brazil 20,000 (17,500); Colombia 10,100 (9,800); Ecuador 1,600 (1,474); Peru, 1,050 (1,050); and Venezuela 867 (1,058).

All Africa—19,003 (16,871); Angola 1,500 (1,400); Cameroon 1,667 (1,583); Ethiopia 1,900 (1,900); Ivory Coast 5,000 (3,333); Kenya 1,250 (1,097); Madagascar 1,200 (1,200); Tanzania 900 (850); Uganda 2,600 (2,600); and Zaire 1,333 (1,333).

All Asia and Oceania—6,745 (6,618); India 2,092 (2,008); Indonesia 3,185 (3,117); Philippines 600 (571); and Papua New Guinea 633 (617). □

Rebound in Grain Crops Lowers Italy's Need for Imports

An expected rebound in Italy's grain production in 1978/79 (August-July) should reduce the country's total grain imports during the same period, despite rising feed requirements. This import decline is largely attributed to an expected sharp drop in wheat imports.

Besides the larger harvest and potential switching to feedgrain substitutes, especially manioc, coarse grain imports are expected to exceed the reduced level of 1977/78.

Increased plantings of winter grains and higher yields should boost the Italian grain output, including rough rice, to about 17 million metric tons, about 2.6 million tons above the poor harvest a year earlier when production was the lowest since 1964. This low point stemmed primarily from a smaller wheat production as the corn crop reached a record level.

Despite some problems caused by excessive rains, Italy's 1978/79 wheat crop is estimated at 8.9 million tons, compared with 6.2 million a year earlier. Durum wheat production is seen rising to 3.2 million tons.

Corn area is expected to be around 940,000 hectares, only 4 percent below the 1977/78 level, although planting was hampered by cold, wet weather that resulted in some land being shifted to alternative crops. Assuming good growing conditions the rest of the way, corn production could total around 5.8 million tons —nearly 10 percent under the record 6.4 million in 1977/78.

The outturn of other coarse grains (rye, sorghum, oats, and barley) is placed at 1.3 million tons, compared with the poor harvest of 1.1 million last season. Italy's rice production (paddy basis) is forecast in the vicinity of 950,000 tons, nearly a third greater than the disappointing rice crop of a year earlier.

Because of the expected larger harvests, Italy's grain imports in 1978/79 (August-July) are forecast to drop sharply from the previous season's. Wheat imports are placed at about 2.4 million tons (400,000 tons of Durum), compared with 4.3 million (1.3 million tons of Durum) in 1977/78. Net wheat imports (imports minus exports) are expected to fall from 3.4 million tons a year earlier to about 1.5 million tons this season. Italy's Durum wheat supplies should show a small net trade surplus of about 150,000 tons, versus a net trade deficit of roughly 780,000 tons last season.

Imports of coarse grains in 1978/79 are expected to approximate 5.4 million tons, significantly above the previous season's reduced level of 4.6 million tons. Italy's total feed requirements are forecast to rise marginally this season.

As a result of the anticipated drop in the country's corn production in 1978/79, corn imports are currently placed at 3.7 million tons, compared with 3.0 million in 1977/78 and 4.5 million in 1976/77. The high-priced corn entering the European Community under the Common Agricultural Policy has cut its competitiveness with low-import-duty feeds, such as manioc.

Trade contacts indicate that contracts already exist for the scheduled delivery of 400,000 tons of manioc in calendar 1978. During January-May, 140,000 tons were delivered—the first imports of manioc by Italy. If the price relationship remains favorable, manioc imports could go higher in 1979, but the level of usage will depend upon solving transportation, technical, and environmental problems. In June, manioc was sold at 11,000 lira per ton, compared with the corn price of 18,300 lira. In 1977, the average exchange rate was 871.6 lira for US$1.

Argentina, already supplying about half of the Italian corn market, will likely continue to fill most of the increased poultry feed requirements. The Italians prefer—in fact, pay a premium for—Argentine corn because of its high

Based on a report by James Lopes, argicultural economist, Foreign Demand and Competition Division; Economics, Statistics, and Cooperatives Service.

Good Crops Help Keep Turkey's

Turkey's export sales of wheat have been moving ahead briskly thus far in 1978 and, with another record or near-record crop harvested this summer, these sales are expected to continue strong throughout the year.

In addition, the recent devaluation of the Turkish lira has helped reverse the situation in which, until recently, the Government had been losing money on wheat exports because the local support price was substantially above the world market price.

This year's harvest is Turkey's fourth consecutive excellent wheat crop, and early estimates put the 1978 outturn at about 13.5 million metric tons, which would equal last year's record crop.

Meanwhile, Turkey already has sold 690,000 tons of wheat for export during the first 5 months of 1978. Sales for the entire calendar year are expected to total from 1.5 million tons to 2.0 million, compared with estimated sales of 1.5 million in 1977. Most of the country's port facilities are completely booked until early fall—from sales finalized last year. New sales are set for delivery later via the ports or earlier by rail or truck.

Following the devaluation of the Turkish lira, wheat exports at the present world price just about cover the cost of local wheat at the Government support price. For example, at $125 per ton (approximately the average sales price) multi-

By Michael Kurtzig, agricultural economist, Foreign Demand and Competition Division; Economics, Statistics, and Cooperatives Service.

carotene content.

On the other hand, increased use of manioc could enhance demand for soybeans and soybean meal since manioc has no protein.

In 1977, Italy imported 1.2 million tons of soybeans and 720,000 tons of soybean meal. Of its soybean imports, 904,000 tons came from the United States and 118,000 tons from Brazil. On the soybean meal side, 415,000 tons were supplied by the United States and 297,000 by Brazil. As a result of the drought-induced downturn in Brazil's soybean crop this year, the U.S. share of the Italian market could increase even further in 1978. □

Rise in Danish Milk Production Boosts Cheese Exports Sharply

Despite another slight decline in Denmark's dairy herd, another gain in the country's milk output is expected in 1978. Following a sharp pickup in the export value of Danish dairy products last year, export prospects for cheese remain good this year.

Favorable weather following 2 straight dry years contributed to the boost in Denmark's dairy production in 1977, but the accumulation of stocks was slowed by the sharp rise in exports of some dairy products and a modest increase in domestic consumption.

Danish dairy items accounted for about one-fourth of the country's agricultural exports, which, in turn, comprised about one-third of Denmark's total exports last year. The importance of agriculture in Denmark is underlined by the $1.9-billion trade surplus registered by farm exports while the nation's total trade stood at a deficit of $3.3 billion.

Last year, Danish milk production rose 2 percent to 5.1 million metric tons and a similar increase is expected for 1978. Also this year, cheese production is seen expanding 9 percent, accompanied by another significant increase in the output of fat-bearing milk powders. However, production of butter and nonfat dry milk (NFDM) should stay at around last year's levels.

On a value basis, Danish exports of cheese and butter and canned and dried milk all logged increases. But, by volume, exports of butter, NFDM, and condensed milk declined while shipments of cheese and milk powders containing butterfat made impressive gains.

Overall, the export value of Denmark's dairy products expanded 16 percent in 1977 to $789 million, compared with $676 million in 1976. Exports of cheese, followed by those of butter, topped the list last year.

In 1977, cheese exports rose 8 percent to 125,400 tons worth $323 million, a gain of nearly 20 percent in value. Cheese sales to the United States were down 13 percent to 11,539 tons, but this decline was more than offset by sales to other destinations.

Again, West Germany was the major foreign market for Danish cheese, taking 33,447 tons—a drop of 2 percent from the year earlier. Except for exports to the United States, West Germany, Switzerland, and Australia, sales to other markets increased last year. The most notable development occurred in sales to Iran, which bought 18,467 tons of Danish cheese in 1977 (mainly Feta), compared with 13,425 tons in 1976.

Exports of butter dipped 2 percent last year to 89,756 tons. In the face of stiff competition on the important United Kingdom market from New Zealand, West Germany, and the Netherlands, Danish butter exports there plummeted 16 percent to 61,075 tons. This drop was only partly offset by significant increases to members of the Organization of Petroleum Exporting Countries.

Exports of NFDM declined a sharp 29 percent to 21,300 tons, despite the European Community (EC) restitutions to make the products of Member States competitive in world trade. Also, sales of condensed milk fell sharply to 8,980 tons, a drop of 6,305 tons from those of 1976. □

Based on a report from the Office of U.S. Agricultural Attaché, Copenhagen.

Wheat Exports Moving Briskly

plied by the new exchange rate (25 Turkish lira = US$1), the average price received for export wheat amounted to LT3.125 per kilogram. The average support price for last year's wheat was about LT2.80 per kilogram, and the difference between this price and the current export price can be calculated as other costs.

The new support prices for 1978 were announced in late July 1978, 2 months later than usual. Support prices for grains were increased by 14 percent. These increases place a further burden on the Turkish treasury and help maintain a high rate of inflation.

Several factors have contributed to the string of good wheat harvests. Much of Turkey's wheat area is rainfed. Also, greater use has been made of fertilizers, herbicides, and pesticides; all of Turkey's wheat area is now devoted to some type of high-yielding wheat; and moisture conditions have been very favorable.

It now remains to be seen how well the other inputs maintain wheat production when the inevitable drought years occur. For those dry years, downward estimates of as much as 25-30 percent have been predicted, which would reduce the crop to 9-10 million tons, making Turkey just about self-sufficient in terms of current stocks and demand trends.

For the moment, at least, Turkey is proceeding with plans to expand and modernize its port facilities, increase domestic stockholding capacity, and modernize its transport infrastructure, with the apparent conviction of continuing as a wheat exporter. □

Locust Threat Still Lingering In East African Countries

The locust threat centered in Eastern Africa currently appears to be hanging in a cloud of suspense, capable of exploding in one of several directions or simply fizzling out as more local control measures are implemented or natural phenomena, such as very dry weather, take effect.

At the beginning of August, Ethiopia had reported as many as 50 swarms, and 17 were reportedly sighted in Somalia. At the same time, the impact of control actions in infested areas was—and still is—uncertain. Both of these East African countries assert that all infected areas are open to control measures. Nevertheless, war conditions obviously remain a major limiting deterrent to carrying out of control actions rapidly.

In areas where swarms have concentrated in Ethiopia and Somalia, actual damage to vegetation must be considerable, but the economic impact, as reported by these countries, has been low. Surprisingly, officials in the two countries report only limited damage to food crops. However, severe damage to grazing areas has been reported.

Because of the remoteness of some infested areas and the hostilities that have taken place, only limited observations by experts of the countries involved—or by others—have been possible. This means that reporting of locust concentrations and control measures as well as estimates of locust damage have also been limited.

Early-fall breeding in the Ogaden is being watched as a guide to swarm activity. Other parts of Africa appear to be relatively free of locusts with no swarms recently being reported in the Northwest, North Africa, Sudan, Kenya, or Tanzania. However, moisture conditions in many areas in Sudan during the current rainy season are favorable for locust development.

In West Asia, locust activity is still a concern in the Yemen Arab Republic, but currently no threats are reported. Earlier outbreaks in Indo-Pakistan areas are reportedly under control.

Locust concentrations in the Horn of Africa could rapidly move to other countries this fall and winter. Kenya and Tanzania fear seasonal wind shifts that may move the locusts southward in December and January, so the outlook calls for an "alert" during the immediate future. The locust threat concerns all countries that could become hosts, including those not currently troubled by swarms.

Because the locust life cycle is closely tied to weather phenomena, weather will probably be a major factor in locust resurgence or control. In southern Iran, for example, this summer's extremely hot, dry weather has been credited with being an important check on the advance of locusts in that area.

In East Africa, obsolete equipment and shortage of personnel as well as sensitive internal and external political problems also have hampered control activities. Therefore, the Desert Locust Control Organization for Eastern Africa (DLCOEA) and national governments in the area began control operations this year with a considerable handicap.

In the intervening months, international help and donations by countries—made principally through the Food and Agriculture Organization—have provided the cash and equipment needed for control activities. Now, it will take the efforts and cooperation of the countries involved to carry out control operations. *—By H. Charles Treakle, ESCS.* □

Vietnam To Up Rice Output

The International Development Association (IDA), the soft-loan affiliate of the World Bank, has approved a $60 million credit to Vietnam for an irrigation project that will boost rice production. It is the first IDA credit approved for Vietnam, which—with its 50 million people—forms the fourth largest country in eastern Asia.

Vietnam is currently a rice importing country. During the war, agricultural production was disrupted, and—while impressive progress has been made in reconstructing the country—adverse weather conditions during the past 3 years have exacerbated Vietnam's critical food problems.

The Vietnamese Government is now giving highest priority to increasing rice output and aims to achieve self-sufficiency in grain production in the early 1980's. The present project concentrates on irrigation as a means of increasing food production.

The $110 million project includes construction of an earth dam on the Saigon River at Dau Tieng village and a gravity irrigation system for about 42,000 hectares of land now dependent on rainfall. The project is located in the southwestern part of Vietnam and the project area is spread over five of the southern districts of Tay Ninh Province. The dam will rise 27 meters above the stream bed, and will create a reservoir with a gross storage volume of 1,450 million cubic meters.

The project will increase rice production by about 100,000 tons annually. Incremental production of rice and peanuts will result in net annual foreign exchange savings and earnings of about $40 million.

Agriculture is by far the most important economic sector in the country. Almost three-quarters of the population earns its income from agriculture, which represents about 40 percent of the national income. In addition, it is the main source of raw materials for the processing industries and a major contributor to exports. Thus, apart from giving highest priority to increasing rice output, the Vietnamese Government is also attempting to create productive employment opportunities in rural areas for the urban unemployed. High priority is also given to the development of forestry, fisheries and consumer goods industries, to improve the standard of living and for exports. □

Record Seen for U.S. Farm Exports to Latin America

Exports on U.S. farm products to Latin America this fiscal year are seen surpassing the 1973/74 record of $2.5 billion.

Through the first 9 months of 1977/78 (October-June), exports already were one-third ahead of those in the 1976/77 period, to $1.91 billion. This was slightly below the record $1.96 billion achieved in the 1973/74 period, when grain prices reached peak levels. However, a strong export pace is seen lifting full-year sales above the 1973/74 high.

Trade gains for the 9-month period were paced by wheat, sales volume of which more than tripled that of the year earlier to a record 5 million tons. The expansion came as Brazil, Chile, and Mexico moved to fill production deficits.

Exports of corn to Mexico and Central America rose sharply, and soybean sales reached a new high of more than 500,000 tons. Exports of vegetable oils, animal fats, and meats also moved up to new highs in the face of rising prices.

However, shipments of oil meals and fruits and vegetables were below the high year-earlier levels, and volume gains in grains were partially offset by lower prices.

In addition, balance-of-payments problems appear to be encouraging efforts to restrict consumption of imported food in Brazil, Mexico, Chile, and some other Latin American countries. This belt-tightening, however, probably has not affected U.S. sales in fiscal 1978.

Full-year exports of U.S. wheat to the region, for instance, are expected to reach 6.5 million tons or more, compared with 3.7 million in fiscal 1977. Brazil is continuing some purchases of U.S. corn, and Mexico is purchasing more soybeans.—*Howard Hall, ESCS.* □

U.S. Agricultural Exports to Latin America, Fiscal 1974-77[1] and October-June 1976/77 and 1977/78

Item	1973/74	1974/75	1975/76	1976/77	October-June 1976/77	October-June 1977/78
Quantity:	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons
Wheat	5,610	4,453	5,560	3,684	2,216	4,937
Rice	123	34	57	80	66	321
Corn	1,975	1,998	1,661	2,376	1,305	1,570
Sorghum	742	1,276	468	1,250	755	427
Soybeans	478	154	89	490	352	568
Soybean meal	252	180	218	467	272	248
Vegetable oils	303	218	168	235	169	232
Lards and tallow	223	193	193	228	163	171
Meats and prep.	69	76	77	92	66	86
Fruits, veg. and prep.	(2)	(2)	231	201	133	129
Tobacco	(2)	(2)	5	7	5	5
Value:	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.
Wheat	1,008	770	876	438	289	591
Rice	57	17	19	26	21	15
Corn	253	272	208	262	152	166
Sorghum	81	167	61	137	89	56
Soybeans	108	39	23	137	92	141
Soybean meal	54	34	42	120	70	56
Vegetable oils	180	174	93	136	96	133
Lard and tallow	103	77	78	96	70	90
Meats and prep.	74	81	79	99	70	102
Fruits, veg. and prep.	(2)	(2)	96	100	75	67
Tobacco	(2)	(2)	27	39	28	31
Specified commodities	(2)	(2)	1,602	1,590	1,052	1,448
Other	(2)	(2)	486	538	380	463
Total	2,523	2,348	2,088	2,128	1,432	1,911

[1]Year beginning October 1. [2]Not available.

Thai Corn Crop Up

Thailand's 1978 corn harvest, previously forecast at about 2.7 million tons, is now estimated at 3 million tons, up from last year's drought-reduced 2.05 million tons and the second largest of record. Exports in 1978/79 are projected at 2 million tons, up from the earlier projections of 1.7 million tons and well above the 1977/78 level of 1.2 million tons. □

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International Meetings—October

Date	Organization and location
To be set	International Fund for Agricultural Development, Rome.
To be set	UNCTAD Negotiating Conference on a Common Fund.
2-6	FAO Intergovernmental Group on Bananas, Rome.
2-6	Codex Committee on Food Labeling, Ottawa.
2-7	FAO regional conference for Europe, Lisbon.
4	International Institute of Cotton, executive committee, Washington, D.C.
4-8	World Dairy Exposition, Madison, Wis.
9-11	OECD preparatory meeting, Conference of Agricultural Research Directors, Paris.
9-18	FAO/Swedish Cooperative Program workshop on Near Eastern organic materials and soil productivity, Alexandria.
9-20	FAO Finance and Program Committees, Rome.
10-16	Codex Committee on Food Additives, The Hague.
11	USSR grain consultations, Washington, D.C.
11-13	FAO Intergovernmental group on Jute, Kenaf, and Allied Fibers, Rome.
15-18	Inter-American Institute of Agricultural Sciences, San Jose, Costa Rica.
16-20	OECD Committee for Agriculture, Paris.
17-20	FAO: Ad hoc consultations on hides and skins, Rome.
23-27	FAO: Caribbean Plant Protection Commission, Caracas.
23-Nov. 3	FAO/UN Committee on Food Aid Policies and Programs, Rome.
24	Grain consultations, German Democratic Republic officials, Washington, D.C.
29-Nov. 3	American Oil Chemists' Society, World Conference on Vegetable Proteins, Amsterdam.
30-Nov. 3	National Renderers' Association, annual meeting, Houston.
30-Nov. 4	FAO/Swedish Cooperative Program seminar on genetic improvement and artificial insemination, Havana.

Trade Teams—October

U.S. Teams Overseas

Date	Organization	Visiting
Sept. 16-Oct. 4	Grain sorghum promotion and information team	United Kingdom, West Germany, Norway, Poland, Romania, Spain.
Sept. 30-Oct. 14	Feedgrain consulting team	Morocco, Syria, Iran.

Foreign Trade Teams in the United States

Date	Organization	Visiting
Sept. 16-Oct. 2	Korean feed team	Washington, Illinois, Iowa, Missouri, Louisiana, Georgia, New York, Wisconsin, Washington, D.C.
Sept. 21-Oct. 11	Ghanaian wheat team	Illinois, Minnesota, North Dakota, South Dakota, Colorado, Kentucky, Texas, New York, Washington, D.C.
Sept. 22-Oct. 2	Spanish soybean team	New York, Minnesota, Illinois, Georgia, Washington, D.C.
Sept. 25-Oct. 13	U.K. feed technology team	Iowa, Illinois, Indiana, Missouri, Kansas, Kentucky, Ohio, New York, Washington, D.C.
Sept. 29-Oct. 9	Japanese oilseed and fish oil study team	California, Louisiana, Mississippi, Arkansas.
1-31	Taiwanese dairy herd improvement team	Wisconsin, New York, Vermont, North Carolina, Arizona, California, Washington, D.C.
14-Nov. 7	European cotton spinning representatives	New York, North Carolina, Tennessee, Mississippi, Texas, Arizona, California.